



State of Utah

DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

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Governor

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Executive Director

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Division Director

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January 9, 1998

CERTIFIED RETURN RECEIPT
P 074 976 619

Ronald Bosshardt
Redmond Clay & Salt Company, Inc.
6005 North 100 West
Redmond, Utah 84652

Re: Large Mining Operations Notice of Intention, Redmond Clay & Salt Company (RCSC),
Redmond Clay & Salt Mines, M/039/002, Sevier County, Utah

Dear Mr. Bosshardt:

A recent review of our outstanding permit applications and interim surety bonds indicates that your clay and salt mining operations have remained in a continued permitting stage for over five (5) years. The permitting process for this mining operation far exceeds what is considered a reasonable timeframe within which to acquire an approved mining permit. On January 29, 1993, we received an amended \$228,100 Letter of Credit from Utah Independent Bank which has served as *interim* reclamation surety for the Redmond Clay & Salt Mines until the large mining operations permit application is approved by the Division.

A June 19, 1992 file memo concludes that an understanding was reached during a June 18, 1992 onsite inspection that the Division would attempt to draft a more detailed mining and reclamation plan and reclamation estimate for RCSC. Unfortunately, Division workloads and other permitting priorities have not allowed us to fulfill this commitment. Ultimately, it is the mine operator's responsibility to assure that a complete and adequate mining and reclamation plan is assembled and filed in a timely fashion with the Division.

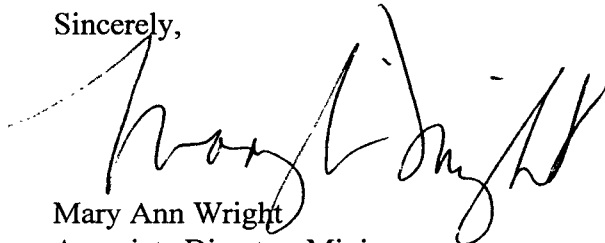
On November 7, 1996 Division staff member, Mr. Lynn Kunzler performed an inspection of your mining operation and the associated processing facilities. During that inspection, Mr. Kunzler informed Jay Bosshardt of our need to finalize the permitting process for this mining operation (inspection memo attached). To date the permitting process remains incomplete for this mine.

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Ronald Bosshardt
M/039/002
January 9, 1998

Consequently, the Division hereby directs RCSC to contact this office within 10 days of your receipt of this letter to arrange a meeting to determine the course of action required to complete the permitting process for your large mining operation. This meeting should be held no later than February 12, 1998. Your failure to respond within this timeframe will lead to enforcement actions which could result in (after public notice and formal hearing) a temporary suspension of mining operations, appropriate fines and/or other lawful penalties authorized under the Act and rules.

Thank you in advance for your cooperation and prompt attention to this matter. Please feel free to contact me, D. Wayne Hedberg, Permit Supervisor, or Lynn Kunzler of the Minerals staff, if you have questions or concerns regarding the requirements of this letter.

Sincerely,



Mary Ann Wright
Associate Director, Mining

jb
Attachment: 11/7/96 inspection memo
cc: Lowell Braxton - Director, OGM
Minerals staff (route)
M045030.ltr

phone 801-538-5306
Pager 801-241-2465